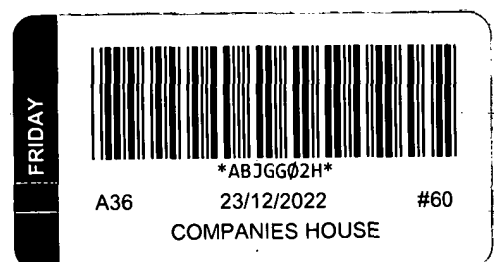


# Spokemead Maintenance Limited

Annual Report and Financial Statements

For the year ended 31 March 2022

Company Registration No. 05122953 (England and Wales)



# Spokemead Maintenance Limited

## Company Information

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<b>Directors</b>	N A Rooney N L Rooney D Rooney D M A Bullen C J Lovett
<b>Company number</b>	05122953
<b>Registered office</b>	Brooklyn Lodge Mott Street London E4 7RW
<b>Auditors</b>	Moore Kingston Smith LLP 6th Floor 9 Appold Street London EC2A 2AP

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# Spokemead Maintenance Limited

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# Spokemead Maintenance Limited

## Directors' Report

For the year ended 31 March 2022

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The directors present their annual report and financial statements for the year ended 31 March 2022.

### **Principal activity**

The principal activity of the company continued to be that of electrical installation, repairs and maintenance.

### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

N A Rooney	C J Lovett
N L Rooney	D M A Bullen
D Rooney	

### **Directors' liability insurance**

The company maintains appropriate insurance cover in respect of legal action against its directors which could arise in the discharge of their duties.

### **Results and dividends**

The results for the year are set out on page 8.

Dividends of £800,000 (2021: £1,000,000) were paid in the year. The directors do not recommend payment of a final dividend.

### **Auditors**

In accordance with the company's articles, a resolution proposing that Moore Kingston Smith LLP be reappointed as auditor of the company will be put at a General Meeting.

### **Statement of disclosure to auditors**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



C J Lovett

Director

21 December 2022

# Spokemead Maintenance Limited

## Directors' Responsibilities Statement

For the year ended 31 March 2022

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The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# Spokemead Maintenance Limited

## Independent Auditor's Report

### To the Members of Spokemead Maintenance Limited

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#### **Opinion**

We have audited the financial statements of Spokemead Maintenance Limited for the year ended 31 March 2022 which comprise the Profit And Loss Account, the Balance Sheet, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Material uncertainty related to going concern**

We draw attention to note 1.2 to the financial statements, which indicates that the company is a guarantor of the debt facilities of Kinovo Plc, the ultimate parent of the company.

As detailed in the financial statements of Kinovo Plc for the year ended 31 March 2022, there was determined to be a material uncertainty in relation to the going concern of Kinovo Plc due to the group having ongoing obligations in relation to a number of DCB (Kent) Limited projects, including performance bonds, which have been technically callable since DCB (Kent) Limited's administration on 16 May 2022.

Whilst management believe the performance bonds will not be called and therefore there will be no impact on the debt facilities of Kinovo Plc and therefore the company by virtue of it being a guarantor of these facilities, there can be no certainty in this respect. As stated in note 1.2 these conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

#### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

# Spokemead Maintenance Limited

## Independent Auditor's Report (Continued)

### To the Members of Spokemead Maintenance Limited

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Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and from preparing a Strategic Report.

#### **Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

# Spokemead Maintenance Limited

## Independent Auditor's Report (Continued)

### To the Members of Spokemead Maintenance Limited

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In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

#### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit.

However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, the relevant financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation
- We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.



# Spokemead Maintenance Limited

## Independent Auditor's Report (Continued)

### To the Members of Spokemead Maintenance Limited

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- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

# Spokemead Maintenance Limited

## Independent Auditor's Report (Continued)

To the Members of Spokemead Maintenance Limited

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### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and the company's members as a body, for our work, for this report, or for the opinions we have formed.

*Moore Kingston Smith LLP*

**Andrew Barford (Senior Statutory Auditor)**  
for and on behalf of Moore Kingston Smith LLP

Date 22 December 2022

**Chartered Accountants**  
**Statutory Auditor**

6th Floor  
9 Appold Street  
London  
EC2A 2AP

# Spokemead Maintenance Limited

## Profit and loss account

For the year ended 31 March 2022

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		2022	2021
	Notes	£	£
Turnover		4,332,443	3,817,669
Cost of sales		<u>(2,592,917)</u>	<u>(2,052,980)</u>
Gross profit		1,739,525	1,764,689
Administrative expenses		(1,057,260)	(931,181)
Other operating income		-	23,322
Profit before taxation		<u>682,265</u>	<u>856,830</u>
Tax on profit	6	<u>(134,897)</u>	<u>(104,733)</u>
Profit for the financial year		<u><u>547,368</u></u>	<u><u>752,097</u></u>

# Spokemead Maintenance Limited

## Balance Sheet

As at 31 March 2022

		2022	2021
	Notes	£	£
<b>Fixed assets</b>			
Tangible fixed assets	7	84,378	106,296
		<u>84,378</u>	<u>106,296</u>
<b>Current assets</b>			
Stock		119,843	126,664
Debtors	8	1,797,400	1,726,542
Cash at bank and in hand		20,620	-
		<u>1,937,863</u>	<u>1,853,206</u>
Creditors: amounts falling due within one year	9	(940,792)	(627,753)
<b>Net current assets</b>		997,071	1,225,453
<b>Total assets less current liabilities</b>		<u>1,081,449</u>	<u>1,331,749</u>
<b>Capital and reserves</b>			
Called up share capital	10	100	100
Other reserves		26,610	24,278
Profit and loss account		1,054,739	1,307,371
<b>Total equity</b>		<u>1,081,449</u>	<u>1,331,749</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 21 December 2022 and are signed on its behalf by:



.....  
C J Lovett

Director

Company Registration No. 05122953

# Spokemead Maintenance Limited

## Statement of Changes in Equity

For the year ended 31 March 2022

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	Share capital £	Share based payment reserve £	Profit and loss reserve £	Total £
<b>Balance at 31 March 2020</b>	<u>100</u>	<u>23,409</u>	<u>1,555,274</u>	<u>1,578,783</u>
<b>Year ended 31 March 2021:</b>				
Profit and total comprehensive income for the year	-	-	752,097	752,097
Dividends	-	-	(1,000,000)	(1,000,000)
Capital contribution by parent in respect of share based payments	-	869	-	869
<b>Balance at 31 March 2021</b>	<u>100</u>	<u>24,278</u>	<u>1,307,371</u>	<u>1,331,749</u>
<b>Year ended 31 March 2022:</b>				
Profit and total comprehensive income for the year	-	-	547,368	547,368
Dividends	-	-	(800,000)	(800,000)
Capital contribution by parent in respect of share based payments	-	2,332	-	2,332
<b>Balance at 31 March 2022</b>	<u>100</u>	<u>26,610</u>	<u>1,054,739</u>	<u>1,081,449</u>

# Spokemead Maintenance Limited

## Notes to the Financial Statements

For the year ended 31 March 2022

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### **1 Accounting policies**

#### **Company information**

Spokemead Maintenance Limited is a private company limited by shares incorporated in England and Wales. The registered office is Brooklyn Lodge, Mott Street, London E4 7RW.

#### **1.1 Accounting convention**

These financial statements are prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

As detailed fully in the parent company, Kinovo Plc, 2022 annual report, the Group has faced challenges since disposing of its subsidiary, DCB (Kent) Ltd ("DCB"). DCB went into administration after disposal and Kinovo Plc retains parent company guarantees and is responsible for fulfilling obligations on the construction contracts of DCB, including the potential settlement of performance bonds. Consequently, it was determined that a material uncertainty in relation to going concern existed at the date of signing the Kinovo Plc 2022 annual report.

Spokemead Maintenance Limited is a guarantor on the Kinovo Plc loan facility and the directors of Spokemead Maintenance Limited have liaised closely with parent company directors and are fully satisfied that sufficient resources are available across the Group to fulfil these obligations. Therefore although there is technically a material uncertainty over the exact outcome of some of these obligations, the directors are satisfied that it will not impact the company's ability to continue as a going concern.

In reaching these conclusions the directors have also reviewed the current balance sheet position, the budgets for the next 12 months and forecasts covering the cash flow forecast and profit and loss statement for the next 2 financial years and do not feel that there is any indication for concern over the conclusions. Thus, they continue to adopt the going concern basis of accounting in preparing these financial statements.

#### **1.3 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

# Spokemead Maintenance Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2022

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### **1 Accounting policies**

#### **1.3 Turnover (continued)**

Services are supplied under a term contract or framework agreement with both local authority and corporate customers that usually span three or more years. These services will be provided on request from the customer, and have their own associated prices. Each service is considered to have a single performance obligation, and generally take less than a day to complete. Revenue is only recognised at the point that the service is complete. Invoicing only occurs once the customer has agreed that the relevant service has been received and completed. Any costs incurred in advance of the performance obligation being completed are recognised as work in progress. Any work completed but not yet agreed with the customer/invoiced is recognised as accrued income.

#### **1.4 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	25% reducing balance
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### **1.5 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

# Spokemead Maintenance Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2022

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### **1 Accounting policies**

#### **1.5 Impairment of fixed assets (continued)**

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

#### **1.6 Stock**

Stock are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stock to their present location and condition.

Stock held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### **1.7 Cash and cash equivalents**

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### **1.8 Trade and other receivables**

Trade receivables are recognised and carried at the lower of their original invoiced value and recoverable amount. Provision is made when it is likely that the balance will not be recovered in full. Balances are written off when the probability of recovery is considered remote.

#### **1.9 Trade and other payables**

Trade payables are initially measured at their fair value and are subsequently measured at their amortised cost using the effective interest rate method; this method allocates interest expense over the relevant period by applying the "effective interest rate" to the carrying amount of the liability.

#### **1.10 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.



# Spokemead Maintenance Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2022

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### **1 Accounting policies**

#### **1.10 Financial instruments (continued)**

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

The company only has basic financial instruments measured at amortised cost, with no financial instruments classified as other or basic instruments measured at fair value.

#### **1.11 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### **1.12 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

##### ***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### ***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

# Spokemead Maintenance Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2022

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### **1 Accounting policies**

#### **1.12 Taxation (continued)**

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.13 Provisions**

Provisions are recognised when the company has a legal or constructive present obligation as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

#### **1.14 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.15 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

# Spokemead Maintenance Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2022

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### **1 Accounting policies**

#### **1.16 Share-based payments**

The fair value of equity-settled share based payments to employees is determined at the date of grant and is expensed on a straight-line basis over the vesting period based on the company's estimate of shares or options that will eventually vest.

#### **1.17 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

#### **1.18 Government grants**

Government grants are in relation to the amounts received under the Coronavirus Job Retention Scheme where staff have been furloughed due to the global pandemic. These amounts have been included separately in other income and are recognised in the same periods as the related salary costs.

### **2 Judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

In the view of the Directors there are no estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of reported assets and liabilities within the next 12 months.

# Spokemead Maintenance Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2022

### 3 Operating profit

	2022	2021
	£	£
Operating profit for the year is stated after charging:		
Depreciation of tangible fixed assets	28,109	33,883
Share-based payments	2,332	869

Auditor remuneration in current and prior year was borne by the parent company.

### 4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022	2021
	Number	Number
Total	12	9

### 5 Directors remuneration

	2022	2021
	£	£
Remuneration for qualifying services	286,533	277,325
Company pension contributions to defined contribution schemes	1,321	1,313
	287,854	278,638

Remuneration disclosed above include the following amounts paid to the highest paid director:

151,185	111,325
---------	---------

The company pension scheme had the participation of 1 director during the year (2021: 1).

### 6 Taxation

The company has no liability to corporation tax in the current or prior year due to the availability of group relief. The tax charge of £134,897 (2021: £104,733) represents amounts paid to other group companies for the value of losses surrendered. These have been recharged on a £ for £ basis of the tax benefit received.

# Spokemead Maintenance Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2022

### 7 Tangible assets

<b>Cost</b>	<b>Plant and Machinery £</b>
At 1 April 2021	180,370
Additions	6,190
At 31 March 2022	<u>186,560</u>
<b>Depreciation and impairment</b>	
At 1 April 2021	74,074
Charge for the year	28,108
At 31 March 2022	<u>102,182</u>
<b>Carrying amount</b>	
At 31 March 2022	<u>84,378</u>
At 31 March 2021	<u>106,296</u>

### 8 Debtors

	<b>2022 £</b>	<b>2021 £</b>
Trade debtors	216,069	36,665
Amounts due from group undertakings	877,327	1,157,357
Other debtors	704,004	532,520
	<u>1,797,400</u>	<u>1,726,542</u>

Amounts due from group undertakings are interest free and are repayable on demand.

# Spokemead Maintenance Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2022

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### 9 Creditors falling due within one year

	2022	2021
	£	£
Overdraft	-	29,717
Trade creditors	414,528	14,876
Amounts due to group undertakings	164,298	164,297
Other taxation and social security	272,418	165,065
Other creditors	89,548	253,798
	<u>940,792</u>	<u>627,753</u>

Amounts due to group undertakings are interest free and are repayable on demand.

### 10 Called up share capital

	2022	2021
	£	£
<b>Ordinary share capital issued and fully paid</b>		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

### 11 Operating lease commitments

At the reporting date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases as follows:

	2022	2021
	£	£
Within one year	14,675	2,256
Between two and five years	25,148	1,128
	<u>39,823</u>	<u>3,384</u>

### 12 Related party transactions

The company has taken advantage of the exemption available whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertakings of that group.

# Spokemead Maintenance Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2022

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### **13 Parent company**

The immediate and ultimate parent undertaking is Kinovo Plc. The consolidated financial statements of Kinovo Plc which is the smallest and largest group to consolidate these financial statements, can be obtained from Brooklyn Lodge, Mott Street, London E4 7RW.

There is no ultimate controlling party

### **14 Contingent liabilities**

The company is party to a Composite Company Limited Multilateral Guarantee dated 22 May 2020 given by Kinovo Plc, P & R Installation Company Limited, R. Dunham (UK) Limited and Purdy Contracts Limited. This Guarantee relates to £2,534,000 of terms loans outstanding at the 31 March 2022, and is guaranteed by the assets of the Company.